

## Keeping your coverage affordable and meaningful

### *Introducing important changes to your Extended Travel Health Plan*

As you are aware, asrTrust introduced a special Travel Health Plan for retired GMCL members on September 1<sup>st</sup> of last year. Designed by Green Shield Canada (GSC) to top up the *Essential* 30-day travel coverage provided to you at no cost through the Trust, this asrTrust-GM *Extended* Travel Health Plan offered a number of key features that simply aren't available in the individual retail marketplace – at any price.

While the new plan was generally well received by snowbirds and other frequent travelers, there were more claims made against the plan than expected. At the same time, fewer members purchased the *Extended* coverage than we anticipated (especially given the passionate call that many members made for a travel care alternative during last year's information sessions). As a result of this lethal combination of low participation levels and high claims, Green Shield confirmed that your personal premiums would have to increase significantly for the 2013-2014 plan year.

Based on last year's survey results, your Trustees (and Green Shield) understand that a sharp increase in expenses could place an extra financial burden on many of you. At the very least, cost increases would make your *Extended* Travel Health Plan less attractive. With that in mind, we worked with Green Shield and our independent consultants to find a solution that will keep your Travel Health Plan cost increases to a minimum – without impacting the quality of your coverage!

Specifically, the Travel Health Plan is shifting from a smaller group arrangement managed by GSC on behalf of asrTrust to an individual plan structure – which means your contract will now be directly with Green Shield. Technicalities aside, this shift allows us to keep cost increases in check by:

- moving our members, on an individual basis, into Green Shield's larger membership pool (more people spreads the shock of a few large claims, which helps avoid large swings in premiums); and
- taking advantage of favourable tax treatments that individual plans enjoy over group plans.

This bulletin provides some important information about your updated *Extended* Travel Health Plan – including the new cost structure. Based on our close assessment of the marketplace, we firmly believe that the plan continues to provide the best possible value for your money.

We encourage you to read the bulletin carefully, weigh your needs, consider your options and select the solution that works best for you.

### **It's your move**

The plan renewal deadline is October 1, 2013. We encourage you to review your options and to take the appropriate actions by **August 16, 2013**. See page 3 for details.



# Your *Extended* Travel Health coverage at a glance

## Considering the advantages

As a member of asrTrust, you automatically receive *Essential* Travel Health coverage. Provided at no cost to you, this *Essential* plan provides comprehensive coverage during trips lasting up to 30 days. Unlike most travel insurance plans, your covered expenses aren't capped – and you can take as many 30-day trips during the year as you want (as long as you return to your home province for at least 24 hours by the end of each 30-day period). It is an excellent arrangement by any standards.

The innovative *Extended* coverage that you purchased last year extends your total coverage period by 30, 60, 90, or 150 days per trip (plus the 30 days covered under the *Essential* plan), depending on the selection you made. Again, your *Extended* coverage applies regardless of how many trips you take each year – provided you return to your province of residence for at least 24 hours between excursions. Here's a look at the plan's key features:

Feature	Your <i>Extended</i> coverage
<b>What the plan covers</b>	The <i>Extended</i> plan covers the same emergency medical and referral benefits as the 30-day <i>Essential</i> plan – it just allows you to spend more time outside your province (or the country) during any given trip. The <i>Extended</i> plan also includes a valuable trip cancellation feature from day one of your trip.
<b>Plan maximum</b>	Unlimited. The <i>Extended</i> plan covers all eligible expenses.
<b>Who pays</b>	<p>You will pay an annual premium for this innovative coverage (paid in monthly installments) using the same payment method in place for your retiree benefit contribution.</p> <p>In addition to your single/family status, the amount you pay for this coverage depends on your age and the trip duration you select. The longer the period, the higher the cost. The updated costs are provided on page 3.</p>
<b>Trip duration</b>	Up to 30, 60, 90, or 150 days per trip (on top of the 30 days provided automatically under the <i>Essential</i> plan), depending on the option you selected during last year's enrollment period. Again, you can take as many trips as you like each year, provided you satisfy the "return" period outlined below.
<b>Return period</b>	You must return to your province of residence for at least 24 hours before your coverage resets.
<b>Contract</b>	<p>This important coverage will now be provided through an individual contract between you and Green Shield, rather than the group contract that the plan was originally set under. As such, you will receive an individual <i>Extended</i> Travel Health Plan contract from GSC, once your <i>Extended</i> coverage renews.</p> <p>This change has no impact on the coverage available to you under the plan, but will help to keep your costs as low as possible.</p>

Rest assured, the change to the *Extended* Travel Health Plan will have no impact on your Trust – or the health and dental benefits you receive.

# How travel health costs are changing

*A detailed look at what you'll pay for coverage in the coming year*

Even with the cost increase, your *Extended* coverage remains extremely competitive – especially when you consider that you were able to secure this coverage last year without providing evidence of insurability (or worrying about pre-existing conditions).

For members living in Ontario, the cost of your *Extended* coverage will increase by between \$1.50 and \$12.17 per deduction period, depending on your age and preferred coverage, as summarized in the following table:

Preferred coverage (duration of your top-up)	Coverage type	Current monthly premium cost (Ontario)		New monthly premium cost, effective October 1, 2013	
		Under age 65	Age 65+	Under age 65	Age 65+
1. 30-day top-up	• Single	\$17.01	\$32.32	\$18.51	\$35.17
	• Family	\$34.02	\$64.64	\$37.01	\$70.32
2. 60-day top-up	• Single	\$19.85	\$37.42	\$21.60	\$40.71
	• Family	\$39.69	\$74.84	\$43.18	\$81.43
3. 90-day top-up	• Single	\$22.68	\$57.83	\$24.68	\$62.92
	• Family	\$45.36	\$115.67	\$49.35	\$125.84
4. 150-day top-up	• Single	\$27.22	\$69.17	\$29.61	\$75.26
	• Family	\$54.43	\$138.35	\$59.22	\$150.52

Please note that your **current** monthly premium cost could vary depending on your province of residence. Your actual **current** monthly premium cost is provided in the personal renewal confirmation letter you received from GSC.

## It's your move

### *What you need to do – or not*

The plan change will take effect October 1, 2013 (our renewal deadline). To ensure that you have the coverage you want going forward, we encourage you to review your options and to take the appropriate actions by **August 16, 2013!**

- **If you want to continue your current coverage under the Extended Travel Health Plan,** you don't need to do anything. Your coverage will be renewed automatically, based on the new individual plan structure and the updated monthly premium cost outlined above.
- **If you would like to change your top-up duration period,** please contact GSC directly at 1-855-722-0472 **before the August 16<sup>th</sup> deadline.** You can now change your duration period at the end of any annual renewal period – or following a qualifying “life event.” You can **reduce** your duration period, no questions asked. If you want to **extend** your duration period, however, you will need to provide medical evidence of insurability and receive approval from Green Shield.
- **If you would like to discontinue your coverage under the Extended plan,** please contact GSC directly at 1-855-722-0472 **before August 16, 2013.** Remember, if you leave the Extended plan, you will not be able to purchase Extended coverage at a later date. You can, however, purchase coverage under a separate individual plan on a trip-by-trip basis – with Green Shield or another insurer – provided you qualify for the coverage.



# Key questions

## **The *Extended* Travel Health Plan was just introduced last year. Why is it changing?**

Based largely on the survey results, we worked closely with Green Shield to create a unique program that would (a) provide important coverage for all members on a no-cost basis and (b) meet the needs of individual plan members who typically travel out of the country for long periods.

We priced the plan as low as we could at the time based on some important assumptions, including the number of members who would select *Extended* coverage. Unfortunately, claims were higher than anticipated and member demand for this extra coverage was lower than expected. Based on these two key factors, our only real options were to increase your costs considerably – or to keep those costs in check by moving members, on an individual basis, to Green Shield's larger pool of participants.

## **Are my coverage options the same as before?**

Yes. You will continue to enjoy the same travel health protection that you currently have, assuming you want to retain your *Extended* coverage.

## **How much more will I be paying for my travel health coverage?**

This depends on a number of factors, including your age and the preferred benefit (duration period) you have selected. Thanks to the efforts of Green Shield and the Trustees, any increases have been kept at an absolute minimum.

## **What if I still want *Extended* coverage, but I can't afford the increases?**

Depending on your current coverage level, there may be an opportunity for you to reduce your duration period (moving from 90 days down to 60 days, for example). This will reduce your total cost. Alternatively, you can opt out of the *Extended* plan and purchase *Individual* insurance on a trip-by-trip basis – either through Green Shield or another insurer.

## **The final word**

This bulletin provides a simplified explanation of the key provisions of the asrTrust-GM Travel Health Plan. Where the information provided in this bulletin, by asrTrust or from any other source, differs from the legal documents that govern the Plan, the legal documents will rule in all cases. The Trustees of asrTrust reserve the right to amend or change the benefits program at any time and may be required to do so because of changes to legislation or the Trust's funded status.

## **If I opt out of the *Extended* plan, can I join it again at a later date?**

No. As we indicated last year, joining the *Extended* plan was a special one-time opportunity designed to address the needs of frequent and long-term travelers who enjoyed special coverage under the prior GM plan. If you leave the *Extended* plan, you will still enjoy 30-day coverage under the *Essential* plan at no cost to you.

## **What impact do these changes have on the Trust and other member benefits?**

The changes to your *Extended* Travel Health Plan will have absolutely no impact on the health and other benefits provided through asrTrust, or the price members pay for those benefits.

## **How will the change impact future retirees?**

Like you, future retirees will have a one-time opportunity to purchase *Extended* coverage without providing evidence of insurability or worrying about pre-existing conditions. They will simply purchase this coverage under the new structure and at the rates in effect when they retire.

## **Will costs increase in the future?**

As always, the goal is to offer you the best possible coverage at the best possible price. That said, all insurance products are subject to inflation and other market pressures that are likely to push costs up over time.

## **I have more questions. Where can I go for answers?**

If you have questions about what's covered under the plan, you can contact the GSC Customer Service Centre toll-free, at 1-888-711-1119 (Monday to Friday, 8:30 am to 8:30 pm Eastern Time).

If you have questions related to your specific circumstances – or would like to discuss your options – please contact the GSC Travel Hotline, toll-free, at 1-855-722-0472. Alternatively, you can send GSC an e-mail at [indto@greenshield.ca](mailto:indto@greenshield.ca). Representatives are available between 8:30 am and 4:30 pm Eastern Time.